

the mentally ill" do not violate the second amendment.

The compromise these Senators have presented to us is focused on gun shows and commercial sales. It does not require background checks for sales between spouses or siblings or parents, grandparents, uncles, aunts, nieces, nephews, and cousins. It does not require background checks for a transfer between friends and neighbors who talk to each other and decide to sell or give each other a firearm.

The bill does not require background checks for temporary transfers of guns for hunting or target shooting. But it does require background checks for the kind of sales that can be easily exploited by people who intend to do harm: sales at gun shows and through online and print advertisement.

I would hope Senators would agree with 90 percent of the people in this country: We need a strong background check system in order to keep guns out of the hands of dangerous criminals. Why not try to plug the loopholes in the law that allow dangerous criminals to buy guns without background checks? It is a matter of common sense. If we agree that the background check system makes sense, why not make it more effective? What responsible gun owner objects to improving the background check system?

I come from a State with a lot of gun owners, myself included. I have not heard a single gun owner say, we should not have a background check apply to everybody just as it applies to them.

At the first of our Judiciary Committee hearings of the year, the first of three hearings on gun violence proposals, I pointed out that Wayne LaPierre of the NRA testified in 1999 in favor of mandatory criminal background checks for every sale at every gun show. He emphasized at that time the NRA supported closing loopholes in the background system by saying, "No loopholes anywhere for anyone."

It is common sense. That is what we voted to do in 1999 and we should again, and this time we should get it enacted. I have said over and over again, do not filibuster or sloganeer. Vote. Vote yes; vote no. Do not vote maybe. No one is going to take away our second amendment rights. They are not at risk. But lives are at risk where responsible people fail to stand up for laws that will keep guns out of the hands of those who use them to commit crimes of violence.

This is something we can come together and do to make America safer and more secure. Some have expressed frustration about the level of prosecutions under existing gun laws. And some have suggested that instead of making sensible changes to our public safety laws to prevent gun violence, Federal law enforcement officials should focus exclusively on existing laws. I share some of that frustration, but I do not agree it is a valid excuse for us to do nothing. Improvements in

the enforcement of existing laws and efforts to give law enforcement officials better tools to do their jobs are not mutually exclusive; those efforts complement each other. A recent article in the Washington Times, certainly not considered a liberal paper, documented the gun prosecutions were in decline beginning in the Bush administration. They suggested having a Senate-confirmed Director of the Bureau of Alcohol, Tobacco, Firearms and Explosives would significantly help law enforcement. We need to get such a director. But let's not be distracted from what we can do to keep Americans safe by partisan attacks on this administration or the last administration.

I also want to thank Senator SCHUMER for all his efforts to bring us to this point. I worked with him to make sure the legislation considered and voted on in the Judiciary Committee included a provision to improve the background checks system. He introduced a number of background check proposals. He reached across the aisle to try very hard to come to an agreement with Senator COBURN. His efforts helped pave the way for the agreement that Senator MANCHIN and Senator TOOMEY were able to reach.

I have also been encouraging the junior Senator from West Virginia in his efforts. He has shown great leadership, sensitivity and perseverance. I commend Senator TOOMEY for his willingness to join in this legislative effort. Together they have done the Senate and the country a great service. At the outset of the Judiciary Committee's consideration of this issue, I encouraged Senators to bring forward their ideas, to debate that which they thought could make a difference, not just obstruct that which they opposed. I hope those who oppose the measure put forward by Senators MANCHIN and TOOMEY will seek to be part of this debate rather than simply try to silence it.

Improving the background check system is a matter of common sense. Senators MANCHIN and TOOMEY have shown that it can be accomplished in a way that better protects our communities and fully respects our Second Amendment rights. I am pleased to support this bipartisan solution.

Now, will everybody agree on this legislation? Perhaps not. But at least have the courage to vote yes or no. Vote yes or no. If you are going to vote maybe, that is voting for a filibuster. The American people want a little bit of courage on the part of 100 Senators.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senate will be in a period of morning business until 5

p.m., with Senators permitted in speak for up to 10 minutes each.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, I ask unanimous consent to speak for up to 20 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

TAX REFORM

Mr. WYDEN. Mr. President, in Shakespeare's "Julius Caesar," a soothsayer warned Caesar to "beware the Ides of March." For most Americans, however, the Ides of March passes without incident. It is the Ides of April—April 15, tax day—that so many Americans dread. The last few days must have been a big bonanza for the headache medicine industry. Taxes are due tonight at midnight.

Millions of Americans spent their weekend struggling to use tax software that crashed, flailing about to locate receipts, and wading through hundreds of pages of tax instructions. Instead of enjoying the outdoors or spending time with family and friends, too many Americans spent this past weekend hunched over their kitchen tables or in front of their computers surrounded by a maze of receipts, canceled checks, forms, and other paperwork as they undertook the annual water torture ritual of preparing tax returns.

This is the tax instruction booklet for our personal taxes, our 1040 form. It goes on and on, well over 200 pages. The first 104 pages of instructions are the basic form 1040. The further 110 pages of instructions are for the most common schedules to the 1040. There has got to be a better way.

Some day I hope Democrats and Republicans can come to the floor of this body, ask unanimous consent that this goes into the trash, and instead we substitute a much simpler way for our people to do their taxes. The reality is the Tax Code is too complex, too costly, and simply takes too much time to comply with. It is a code that is hopelessly out of date, mind-numbingly complex, increasingly unfair, and extraordinarily inefficient.

As a result, one of our most consequential economic policies, our tax law, does far more to stifle economic growth than to encourage it. Our country needs a comprehensive overhaul of our system of raising revenue and a modern Tax Code that is simpler, fairer, and simply more efficient. In sum, what is needed is a pro-growth economic tax policy. If history is any guide, particularly when former President Reagan and a big group of Democrats got together, it can bolster American families and increase revenue without raising rates.

I have been something of a broken record on this issue for some time. But on a day such as this, particularly given what our people went through over the past weekend, I think it is time we spend a few minutes to talk

about how important it is to bring some common sense to American tax law. What is particularly striking is that I think the Congress understands what needs to be done. This is a question of political will now. There have been all kinds of blue-ribbon reports from the Bush administration, the Obama administration. I think what needs to be done is widely understood.

The pipes in the Tax Code are clogged with provisions that encourage rent-seeking behavior, lead to the misallocation of capital, and warp the American economy. What needs to be done is go in there and drain the swamp and clean out the Tax Code. It contains almost 4 million words. In the last decade alone, more than 130 laws have been enacted that yielded almost 4,500 changes to the Tax Code. That amounts to more than one change to the Tax Code each and every day, year in and year out.

It has become so complicated that almost 90 percent of taxpayers either hire a tax preparer or use tax preparation software to complete returns. The IRS reports that the average estimated time burden for all taxpayers filing a Form 1040, a 1040A, a 1040EZ, is 13 hours, with an average cost of \$210. With respect to these forms, nonbusiness taxpayers face an average burden of about 8 hours, a full day's work, while business taxpayers face an average burden of about 23 hours, nearly 3 days of work.

In 2011, the Small Business Administration found that among businesses with 20 or fewer employees, tax compliance cost \$1,584 per employee. In addition to the escalating cost of compliance with this code, cost, both time and money, the complexity of the code, in my view, has obscured the typical person's ability to understand it and has undercut voluntary compliance, which is, of course, the bedrock principle of our tax law.

With the ongoing debate about how to reduce the budget deficit, the Tax Code's complexity serves also to perpetuate what is known as the tax gap; that is, the difference between what taxpayers pay and what is owed under the law. The most recent Internal Revenue Service estimate for the tax gap is \$385 billion. Based on statistical trends, the likely gap for this year is going to exceed \$420 billion. This is an underpayment of approximately 14 percent.

My gut tells me—I serve on both the Finance Committee and the Joint Committee on Taxation—that some of this gap certainly is due to conscious tax evasion, but I also believe a significant portion of it is attributable to inadvertent mistakes in filing, many of which stem from the complexity of the code. Well-coordinated, thoughtful, comprehensive reform is going to reduce the need for many complex provisions that limit the ability of taxpayers to benefit from certain deductions, credits, exemptions, and exclusions. Comprehensive tax reform must

eliminate the multiple provisions that require taxpayers to calculate their liability multiple times, such as the alternative minimum tax. Talk about bureaucratic water torture. All this weekend across the country we had middle-class folks essentially doing their taxes twice as a result of the minimum tax. The personal exemption phaseout, PEP, and the phaseout of itemized deductions, Pease, isn't much easier.

I would show this poster which demonstrates 11 tax forms. These are forms, colleagues, the typical filer must fill out every year or, if they can afford it, pay someone to fill them out. Is it really necessary to run this full-time, hand-cramping program for our citizens to have to wade through all of this?

We also have another alternative, a one-page 1040 form which I have worked on with colleagues for years. It is only about 29 lines long. Some industrious reporters took this particular tax form and found a typical citizen—this was worked on by Democrats and Republicans—may fill out their taxes with this form in under an hour.

To illustrate how complicated the code has become, let me refer briefly to capital gains. The income tax currently imposes at least nine different effective tax rates on capital gains, depending on the taxpayer's regular rate, how long an asset was owned, the type of asset, and whether the taxpayer owes the alternative minimum tax. For this the IRS provides three different worksheets, one with 37 lines, to help taxpayers calculate their tax on capital gains.

Comprehensive reform should make things easier for taxpayers by allowing a percentage exclusion for long-term gains and reapplying regular tax rates to the rest. This simple change, to have an exclusion for a measure of capital gains which have been earned and then a progressive rate structure from this point on, would sharply reduce the complexity of returns while maintaining fairness and opportunities for all our people to invest.

Further complicating matters, a number of commonly used terms in the Tax Code: qualifying child, modified adjusted gross income, and more, have multiple definitions depending on the provision. Certainly, Democrats and Republicans should agree uniform definitions for the most commonly used terms are something which shouldn't be a bipartisan issue. More than 40 definitions of small business exist in the Tax Code alone.

There are certainly policy reasons to provide tax benefits to families with children. The definition of a child differs widely across the Tax Code.

Children under 19 count in defining the earned-income tax credit benefits. Those under 17 qualify for the child credit, and only those under 13 are eligible for the child and dependent care credit. Maybe these differences result from deliberate congressional actions

about who ought to receive tax benefits, but I think they needlessly complicate tax filing and certainly lead to inadvertent errors which the Internal Revenue Service then attempts to figure out how to correct.

Other factors used to define qualifying children further complicate the situation, including the child's physical residence, custody arrangements, and who pays the child's living expenses. Establishing a single definition to determine whether taxpayers may claim tax benefits for children would simplify both tax filing and IRS processing of returns.

The list only goes on and on, such as the earned-income tax credit, something vital to low-income families, and a whole host of different workshops. The educational credits are, again, another example where families with students in college qualifying for multiple tax benefits to defray educational expenses often may claim only one of them. For example, a family may be able to claim either the Hope credit or the Lifetime Learning Credit, but not both for the same student.

If the family has more than one student it may claim one credit for one student and the other for a second student. Determining which alternative is best requires multiple calculations and may conflict with the use of other tax benefits for education such as Coverdale savings accounts and 529 savings plans. Comprehensive tax reform would, at the very minimum, coordinate these educational benefits to make it easier for families to determine eligibility.

How complicated have things become? A few years ago Treasury's Inspector General for Tax Administration sent staff to pose as taxpayers at 12 commercial preparer chains and 16 small independent preparers. Of the 28 tax returns the professionals prepared, 17 had mistakes. All of the business returns were wrong. Let me repeat that. All of the business returns were wrong when professionals had prepared them.

In 2006 the same sort of drill was undertaken. Again, the Government Accountability Office found professional preparers made mistakes. They mishandled those bread-and-butter kinds of issues, such as the earned-income tax credit and the childcare credit. They even got it wrong whether the taxpayer should even itemize his or her deductions.

The question is, If the pros can't figure out how to file taxes, isn't it clear, isn't it obvious to all of us the Tax Code needs to be purged and the special interest breaks cleaned out so rates can be held down for all? And we can agree on a simple tax philosophy. I can sum up mine in a sentence.

I believe we need a tax system which gives everybody in America the opportunity to get ahead. If you are successful, we want you to be successful. You will pay your fair share, but nothing in the Tax Code will make it impossible for you to be successful in the days

ahead. If you don't have much, we will have a Tax Code which is simple and understandable. When you work hard and play by the rules, you will have an opportunity to get ahead as well.

Comprehensive tax reform will make it easier to file. It is going to lay out an opportunity for the Senate Democrats, Republicans, and Independents to come together.

I close simply by saying once again, we saw in the past few days how broken and dysfunctional our tax system in America has become. Can you imagine what people thought when their software was crashing in the last couple of days? They are trying to find their receipts, flailing through filing cabinets trying to find those documents which attest to their taxable events for the past year. They can't know with certainty, based upon some of those analyses by the Government Accountability Office, whether they have done it right or even professionals have done it correctly.

Until this Senate comes together on a bipartisan basis to work for a simpler, more coherent tax system—one which promotes growth and eases the burden on American families and American businesses—there will be no relief from the Ides of April. This, in my view, is a tragedy worthy of Shakespeare.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

Mrs. FISCHER. Mr. President, I ask for such time as I may consume.

The PRESIDING OFFICER. Without objection, it is so ordered.

TAX DAY

Mrs. FISCHER. I rise today on Tax Day, the deadline for Americans to file Federal tax returns on their hard-earned income for the 2012 tax year. Benjamin Franklin famously said the only sure things in life are death and taxes. Today we Americans live up to that second hard truth, the day when the taxman comes.

For those of us in Congress, Tax Day serves as an important reminder of just who is funding all of the government's spending: it is the American taxpayer. Even as families across America have made tough decisions and tightened their household budgets, the Federal Government has gone on a spending spree. The government has posted four straight trillion-dollar deficits and is growing the national debt, which is approaching \$17 trillion.

In recent years the average annual deficit has skyrocketed to 8.7 percent of our gross domestic product. These deficits should be all the evidence we need in order we get our fiscal house in order.

I believe, and Nebraskans believe, to generate economic growth we must first address our Nation's addiction to spending. We need to fix our broken tax system, and what better time than Tax Day to highlight this need?

Tax Day is a day to renew our efforts to simplify the tax system and ease the burden on hard-working Americans. The act of actually filing taxes is never pleasant, but it also allows Americans the chance to assess just how much of their income is going toward subsidizing an ever-growing bureaucracy.

Rather than make it easy for citizens to comply with the income tax requirements, the Federal Government has held onto an arcane, convoluted tax system. Many citizens, particularly small business owners, are forced to hire costly accountants or buy tax software just to sift through the 3,951,104 words of the Tax Code which, along with other rules and regulations, fills 73,608 pages of text, all in order to figure out just how much one owes.

Nebraskans shouldn't need to waste their time or pay for expensive financial advisers just to fork over more money to Uncle Sam. Americans collectively spend more than 6 billion hours preparing their tax returns. Imagine what more could be done if Americans could focus less time and resources on tax compliance.

According to the National Federation of Independent Businesses, 90 percent of small businesses have given up attempting to comply with the Tax Code. Instead, they pay a professional tax preparation service.

Through tax reform to make the Tax Code simpler and fairer, these small businesses could redirect scant resources currently used for tax compliance to focus more on growth and creating jobs.

I am encouraged, however, by the recent efforts toward much needed comprehensive tax reform to simplify our Tax Code. Just last week the chairman of the Finance Committee, Senator MAX BAUCUS, wrote an opinion piece in the Wall Street Journal with House Ways and Means Committee chairman DAVE CAMP highlighting their progress to date in pressing toward bipartisan tax reform.

President Obama has called for revenue-neutral corporate tax reform in his fiscal year 2014 budget. Unfortunately, the President's proposal is contingent on a \$1.1 trillion tax increase above and beyond the \$1.7 trillion in tax increases the President has already sought and won.

Such a tax hike sends the unmistakable message to every American taxpayer that the government knows how to spend their money better than they do. I believe American families know how best to spend their money, particularly during ongoing times of economic hardship when everyone is called upon to make tough decisions and to make those tough decisions about their budgets and about spending.

Revenue-neutral, progrowth tax reform should not only be geared toward the corporate side of our Tax Code, we should pursue revenue-neutral tax reforms on the individual side as well which would benefit American families as well as small businesses that pay those taxes at the individual level.

Small businesses generate two out of every three new jobs. Ninety-five percent of businesses, which employ nearly 70 million Americans, are organized in such a way that earnings are passed through the enterprise and therefore subject to taxation at the individual level. Tax day provides us with a needed reminder of how broken our Tax Code is. We can and should use it as the impetus to pursue progrowth tax reform. My goal for tax reform is simple—a fairer tax code that ensures that Nebraskans and our neighbors from across the country can keep more of the money they work hard to earn while providing for the core duties and responsibilities of our government.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

GUN SAFETY

Ms. STABENOW. Mr. President, we are about to enter into an incredibly important debate about a series of issues relating to violence—specifically, gun violence—in our communities all across America.

Today I rise to speak about a very important bipartisan amendment I will be offering with Senator ROY BLUNT and others called the Excellence in Mental Health Act. This addresses a very important piece of the discussion. It is an opportunity for us to come together amidst a lot of controversial debate and agree on something that is a very important piece of the puzzle—having access to comprehensive, quality mental health services.

This weekend we heard from Francine Wheeler, whose 6-year-old son Ben was murdered on December 14 in Newtown, CT. We know that Ben was one of 26 people—20 children—who lost their lives. I can only begin to imagine what all of us as parents would feel in that situation. For those 26 victims and the 3,300 other Americans killed since then in acts of gun violence, it is time to take action. I am hopeful, given the strong bipartisan vote we had to move forward on this debate, that we can actually have the debate, that people will have their say and then vote on this very important issue.

The bill before us is a commonsense effort toward comprehensive background checks that will help save lives. I am very supportive of not only that provision but others that will be offered as well.

One important piece that hasn't been in the headlines as much but is very important in getting it right is the need for better access to comprehensive mental health services. That is why we need the bipartisan Excellence in Mental Health Act passed as an amendment that will increase access to care and improve the quality of life for those who need it.

We know that a person who does not receive treatment after his or her first psychotic episode is 15 times more likely to commit a violent act. But let me